

17 December 2020

Environmental Accounts: Environmental Protection Expenditure Account
Preview year 2019

The National Expenditure on Environmental Protection decreased by 0.7% in 2019 and represented 1.54% of GDP.

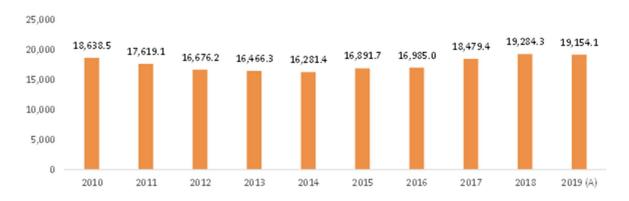
Corporations accounted for 47.5% of the total expenditure, Public Administrations for 35.7% and Households for 16.8%.

National Expenditure on Environmental Protection

The National Expenditure on Environmental Protection (GNPA) decreased in 2019, after four years of consecutive growth, coming to 19,154 million euros.

National expenditure on environmental protection

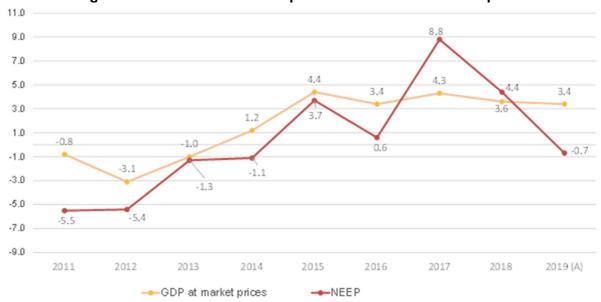
Unit: millions of euros



In annual terms, the NEEP fell by 0.7% in 2019. That was more than four points below the growth of the Gross Domestic Product (GDP) at market prices in that same year.

The NEEP represented 1.54% of GDP, six hundredths less than in 2018.

Annual change in GDP and in National expenditure on environmental protection

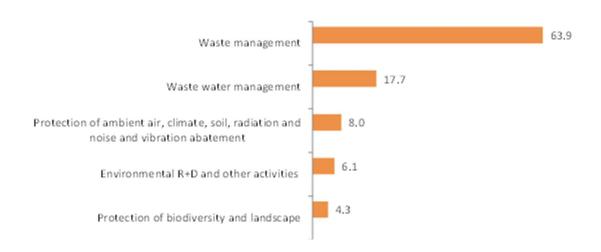


National Expenditure on Environmental Protection by area

The areas with the greatest weight in the NEEP in 2019 were *Waste management services* (63.9% of total expenditure) and *Wastewater management services* (17.7%).

On the other hand, those that had the lowest weight were *Biodiversity and Landscape Protection* (4.3%) and *Environmental R&D and other activities* (6.1%).

NEEP by area (percentage). Year 2019



The largest decreases in spending compared to the previous year were in *Biodiversity and Landscape Protection* (–10.9%) and *Wastewater Management* (–1.2%).

National Expenditure by Environmental Protection area Year 2019

Unit: millions of euros

	Total	% annual variation	Impact	% GDP
TOTAL	19,154	-0.7		1.54
Was te management	12,230	-1.0	-0.634	0.99
Was te water management	3,399	-1.2	-0.207	0.27
Protection of ambient air, climate, soil, radiation and noise and vibration abatement	1,533	9.6	0.695	0.12
Environmental R+D and other activities	1,169	-0.1	-0.008	0.09
Protection of biodiversity and lands cape	823	-10.9	-0.520	0.07

The areas that contributed the most to the decline of NEEP in 2019 were *Waste Management* (0.634 points) and of *Biodiversity and landscape Protection* (0.520).

National Expenditure on Environmental Protection by institutional sector

The *Corporations* sector accounted for 47.5% of total expenditure in 2019. More specifically, this sector spent 9,091 millions of euros, 6.2% less than the previous year.

The expenditure of the *Public Administrations and NPISHs* sector represented 35.7% of the total. It reached 6,847 million euros, 8.4% more than in 2018.

On the other hand, *Household* expenditure decreased by 1.9% up to 3,216 million, representing 16.8% of the total.

National Expenditure on Environmental Protection by institutional sector. Year 2019 Unit: millions of euros

	Total	% annual variation	% of the total	Impact
TOTAL	19,154	-0.7	100.0	
Corporations	9,091	-6.2	47.5	-3.101
General Government and NRSH	6,847	8.4	35.7	2.752
Hous eholds	3,216	-1.9	16.8	-0.327

The Corporate sector contributed the most to the decline in the NEEP, with a negative contribution of 3.101 points, followed by the Household sector, with 0.327 negative points. On the other hand, the Public Administrations and NPISHs sector made a positive contribution of 2,752 points.

National expenditure components by institutional sector

The main national expenditure categories in 2019 were intermediate consumption (39.8% of the total), final consumption (47%) and gross fixed capital formation (14.2%).

The *Public Administrations and NPISHs* sector accounted for 64.3% of final consumption expenditure, whilst the *Households* sector accounted for the remaining 35.7%.

On the other hand, the *Corporations* sector generated 55.9% of the gross fixed capital formation, whilst the *Public Administrations and NPISHs* sector generated 44.1%.

National expenditure components. Year 2019

Unit: millions of euros

	Total economy	General Government and NPISH	Corporations	Households
NEEP	19,154	6,847	9,091	3,216
htermediate consumption 1	7,640		7,640	
Gross fixed capital formation	2,721	1,201	1,520	
Final consumption expenditure	9,006	5,790	-	3,216
EP transfers to / from Rest of the World 2	-214	-144	-70	-

¹ Intermediate consumption does not include environmental protection services by specialized producers of such services.

Data Review and Update

The data published today is provisional in nature and will be revised when next year's data is released. The results are available at INEBase.

² Net transfers register the balance of transfers paid by the economy to the rest of the world minus those received from the rest of the world.

Methodological note

The objective of the Environmental Accounts (EA) is to integrate environmental information into the central system of National Accounts in a coherent way. They include a set of satellite accounts, which are transmitted annually, compiled using the accounting formats applicable to the different sectoral and territorial areas, with a strong use of physical data. They show the interaction between the economy, households and environmental factors.

The Environmental Protection Expenditure Account (EPEA) presents data on economic resources dedicated by resident units to Environmental Protection (EP). The account's main objective is to calculate the aggregate National Expenditure on Environmental Protection (NEEP).

This account can be used to construct indicators in key areas, expenditure on the prevention and reduction of contamination, contribution of EP activities to the economy, change to the use of technologies that prevent contamination. In addition, by linking EP expenditure to data in physical terms it is possible to carry out specific analyses, with the amount of treated waste, the expansion of protected areas and the number of patents for EP products.

For more information the methodology can be accessed at: https://www.ine.es/dyngs/INEbase/es/operacion.htm?c=Estadistica C&cid=1254736177048 &menu=metodologia&idp=1254735976603

The standardized methodological report is at: https://www.ine.es/dynt3/metadatos/es/RespuestaDatos.html?oe=30088

INE statistics are produced in accordance with the Code of Good Practice for European Statistics, which is the basis for the institution's quality policy and strategy. For more information see the section on <u>Quality at INE and the Code of Best Practices</u> on the INE website.

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